



GENERAL INFORMATION

MEMBERS OF THE EXECUTIVE COMMITTEE

Mayor	Councillor KW Madlala
Deputy Mayor	Councillor SA Luthuli
Speaker	Councillor BJ Shoji
Member of Executive Committee	Councillor A Badul
Member of Executive Committee	Councillor J Luthuli
Member of Executive Committee	Councillor SW Kubheka
Member of Executive Committee	Councillor M Hadebe
Member of Executive Committee	Councillor BF Luthuli

GRADING OF LOCAL AUTHORITY

Grade 2

AUDITORS

Auditor-General

BANKERS

First National Bank
Verulam Branch

REGISTERED OFFICE

Ndwedwe Local Municipality
Lot 47-48 Road P 100
Ndwedwe
4342
Telephone Number: 032-532 1089

Private Bag x 503
Ndwedwe
4342
Fax: 032-532 1071

TABLE OF CONTENT

Chapter 1: Introduction and Overview

- 1.1 Mayor's foreword
- 1.2 Accounting Officers Report
- 1.3 Overview of the Municipality
 - 1.3.1 Key Features
 - 1.3.2 Geographical Area/Maps
 - 1.3.3 Demographical profile
- 1.4 Executive Summary and Management Profile
 - 1.4.1 Vision
 - 1.4.2 Mission
 - 1.4.3 Strategic Objectives
 - 1.4.4 Municipal Financial & Administrative Conditions

Chapter 2: Performance Highlights

- 2.1 Functions Performed / Services Rendered
 - 2.1.1 Performance per function
 - 2.1.2 Revenue Collection Performance
- 2.2 Backlogs in Service delivery
 - 2.2.1 Water & Sanitation
 - 2.2.2 Electricity
 - 2.2.3 Refuse Removal
 - 2.2.4 Roads
- 2.3 Level and standard of service
- 2.4 Municipal Spending on Service Delivery Infrastructure
 - 2.4.1 Buildings & Zoning Plans

Chapter 3: Human Resources and other Organisational Management

- 3.1 Staffing
 - 3.1.1 Number of staff per function
 - 3.1.2 Trends on Expenditure of salary
 - 3.1.3 Disclosures concerning Councillors and other Officials

Chapter 4: Audited financial Statements and related Financial Information

- 4.1 Annual Financial Statements
- 4.2 Audit Report
- 4.3 Strategy to address Audit report
- 4.4 Budget to actual comparisons
- 4.5 Grants Received

Chapter 5: Functional area service delivery reporting

- 5.1 Finance
 - 5.1.1 Directors Report
 - 5.2.1 Functional Area service delivery reporting
- 5.2 Infrastructure
 - 5.2.1 Directors Report
 - 5.2.2 Functional Area service delivery reporting
- 5.3 Economic Development
 - 5.3.1 Directors Report
 - 5.3.2 Functional Area service delivery reporting
- 5.4 Corporate Service
 - 5.4.1 Directors Report
 - 5.4.2 Functional Area service delivery ..



CHAPTER 1

INTRODUCTION AND OVERVIEW

1.1 Mayoral Foreword

Since our ushering in to developmental local government in December 2000, we have spent a great deal of time familiarising ourselves with the notion of democratic governance. We have successfully taught the previously voiceless that they can now play a meaningful role in their own development and future. Our primary challenge is to now meet the needs of all our people. To do this, we need to continually ensure that our structure of government has the capacity to respond to community demands in a sustainable manner. Hence there is a need for using our limited resources cautiously for effective service delivery and development.

Our experience in local government has taught us to be more focussed, concentrating on specific interventions that will impact at a macro level. The year ending June 2007 has been a year spent on ensuring that the administration is well entrenched to meet the developmental demands. Many of the previously developed strategies have started to be implemented by being converted into goals and targets. Emphasis on growth, transformation, improved service delivery and public participation have all contributed towards the development of service excellence.

To become a municipality of hope, dignity and prosperity is a long road especially if the resources are extremely limited, but I am confident that we will get there. It is my pleasure to present to you this annual report. A special thanks to the speaker, members of the municipal council, the municipal manager and his team for the continued guidance and support. Together with our community and stakeholders, we will ensure that a quality and sustainable delivery of municipal services is promoted by focusing on continual improvement.



CLLR KW Madlala



MAYOR



1.2 **Accounting Officer's Report**

Municipal Challenges

Having worked as a Municipal Manager of a District Municipality I joined Ndwedwe Local Municipality on 1st February 2007. Local Municipalities, when compared with District Municipalities are at the coalface of service delivery and as such my change of jobs in this manner is hardly a quantum leap although I (gladly) anticipate a fair amount of challenges along the way.

At the onset I would like to note that because of the above referred this report might fail to touch all the issues that are considered most pertinent when producing an annual report. Instead of describing how the municipality fared in achieving its intended objectives for the year 2006/2007 I will, "in a palm of a hand", paint a broad picture of what I consider as serious impediments to sustainable service delivery namely,

- ❖ Budgetary constraints
- ❖ Shortage of home-grown skills
- ❖ Poverty and unemployment
- ❖ Housing that is below the RDP standards
- ❖ High and unaffordable service delivery cost due to the rural character of the municipality

For the purpose of this report I will not discuss all the above challenges but will confine myself to the following three.

Lack of Home-grown Skills

The shortage of homegrown skills in the Ndwedwe Municipality cannot be underestimated. The shortage of skills in a municipality is one of the most critical factors that impact negatively on business and growth in any field. Unskilled or semi-skilled workers with their lack of knowledge and understanding of the municipal processes and functions often affect the high performance levels and different functions the municipality is expected to perform.

My observation is that the Ndwedwe Local Municipality must invest heavily in the coming years in the training of its own people in the skills that are most needed and as many artisans, technical experts, etc. as possible to keep up with the growing economy around it, especially in the Ballito area and the proposed King Shaka International Airport.



If the Ndwedwe Municipality does not have its own home-grown skills, it will perpetually rely on “migrant” staff that work for a year or two and look for greener pastures elsewhere.

Batho Pele

My seed observation is that since the introduction of the Batho Pele White Paper in 1997 the challenge still is that municipal officials do not know how best to promote and implement the Batho Pele ethos. To deliver effective and efficient services Municipal officials must see and understand Batho Pele as a holistic, interrelated, multifaceted and systematic intervention in the service delivery continuum.

Performance Management System

Municipal officials and politicians need to be reminded that being busy is not the same as producing tangible results. Put differently, strong commitment and hard work alone cannot guarantee results. *The key role in Performance Management is its focus on achieving the intended results.* For the coming years the Ndwedwe Local Municipality should ensure that the municipal organizational goals are consistently met in an effective and efficient manner. The focus of the municipality should be on:

- ❖ The organizational goals as a whole and its strategic direction.
- ❖ Sectional units or departments' Information Technology Support, Human Resources, Marketing etc.
- ❖ Organizational process i.e. workflow planning, budgeting, financial management etc.
- ❖ Organizational programmes (implementation of new policies and procedures to ensure compliance, on-going excellence, and efficient service delivery.
- ❖ Teams or groups organized to accomplish common results for the internal and external customers.

In conclusion, our municipality must come out of the 2006 post general election honeymoon and work at 2007/2008 Financial year as a year for doing things differently and more effectively by asking the following questions:

- ❖ How might we improve quality of service delivery?
- ❖ How can we highlight the organizational core strengths and values?
- ❖ How can we improve resource allocation?
- ❖ What skills and knowledge do we possess that positively contribute towards the growth of our municipality and its residents?



- ❖ What attitude do we have that will help us and the municipality move towards the vision for improved service delivery? And finally;
- ❖ What do we need to do first?

For the good that the municipality has achieved I would say "Please keep it" and where we fell short there is room for improvement.

Dr BV Thabethe

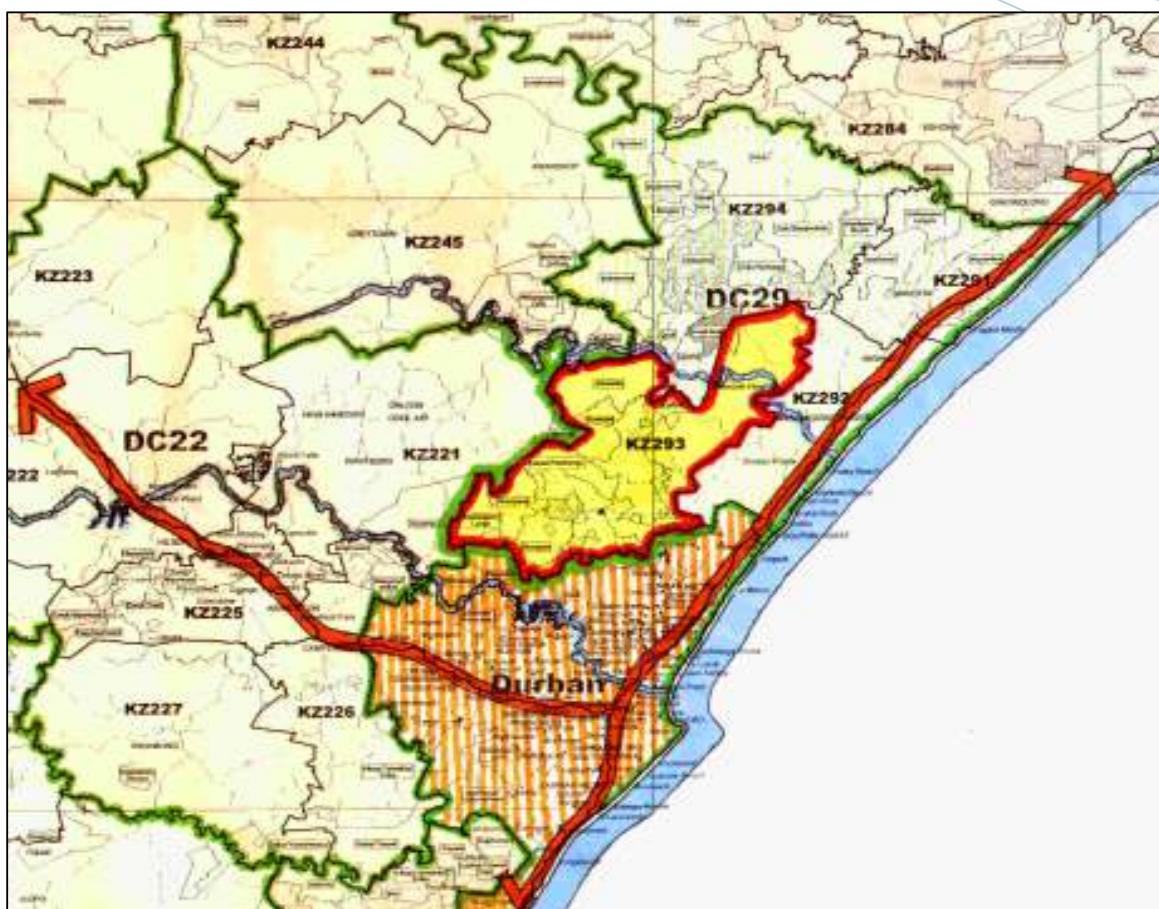
1.3 Overview Of Municipality / Municipal Profile

1.3.1 Key Features

While Ndwedwe Municipality is located in relative close proximity of major urban and economic developments, it has remained substantially underdeveloped and poverty stricken. However the Municipality has some unique features which could be explored for economic growth.

- Location in close proximity to major urban and economic developments.
- Potential to capitalize on targeted spill - over from the major initiative planned for eThekweni Municipality namely the Dube Trade Port.
- Huge potential for cultural heritage e.g. Nhlankakazi Holy Mountain and ecotourism.
- High agricultural potential

1.3.2 Geographical Area/Maps





Demographics

Extent of the Ndwedwe Municipal area (square kilometres)	1 154	
Population (Statistics SA 2001)	152 495	
Population Density (people/km ²)	115	%
Population Group (%)		
Black African	150 971	99%
Coloured	0	0%
Indian	1 525	1%
White	0	0%
Male Population (%)	70 148	46%
Female Population (%)	82 347	54%
Total Number of Voters as per 2006 IEC information	61 287	
Municipal Age profile	0 to 4	13%
	5 to 19	38%
	20 to 64	42%
	Over 65	5%
Dependency Ratio (No. of people dependent on economically active group)		56%
HIV/AIDS status (% infected across District as per KZN Dept. of Health Statistics)	Across District	30%
Education Levels	No Schooling	24%
	Grade 12	10%
Unemployment (out of labour force)	Unemployed	26%
Income Levels (%) R0/HH	Households with no income	33%
R1 – R801/HH	Households	41%
R801 – R1600/HH	Households	16%
Financial Grant Dependency (as per DLGTA 2004)		100%
Number of Municipal Wards	19	
Number of Councillors	37	
Number of Traditional Authority Areas	23	
Service Backlogs (% Households with no access)		
Water		42%
Sanitation		63%
Electricity		78%
Refuse		97%
• Housing		70%



1.4 **EXECUTIVE SUMMARY and MANAGEMENT PROFILE**

1.4.1 **Our Vision**

“Ndwedwe, A Municipality of Hope, Dignity and Prosperity”

1.4.2 **Our Mission**

“Our mission is to promote a quality and sustainable delivery of municipal services by:

- **Involving communities in the development process;**
- **Forging strategic alliances and partnerships between the municipality and government departments, NGOs, CBOs, Private Sector to ensure speedy and co-ordinated delivery”**

1.4.3 **Strategic Objectives**

The municipal strategic objectives are:

- To provide sustainable service delivery
- To facilitate the sustainable economic development, poverty alleviation and job creation
- To deepen transformation and institutional development
- To observe good governance
- To provide for integrated human settlement
- To empower people
- To care and respect human dignity

The strategy of Ndwedwe Municipality is based on five pillars that will distinguish the Municipality from other municipalities of similar size. These pillars are:

- The accelerated and sustainable provision of infrastructure and basic services.
- The accelerated and sustainable development of local economy.
- Building and sustaining service and performance driven municipality.
- Deepen the institutional democracy, accountability and human rights
- Build and sustain unity, peace and reconciliation.

The achievement of the above objectives will see the municipality growing economically, become viable and also minimise poverty levels.



Mrs SZ Soji



Mr SFS Ngongoma
Director Corporate Services



Mr BS Mthembu



Chief Financial Officer

Director Technical Services



1.4.4 Municipal Financial & Administrative Condition

The municipality has limited financial resources to deliver services in terms of its powers and functions, hence it is currently 100% dependant on the grant funding from both National and Provincial departments. The Municipality is currently engaged in a project of implementing Municipal Property Rates Act, which is aimed at income generation. The Municipality will only charge rates on the properties that are within the Municipal area which is about 32%. The remaining area of 68% belongs to Ingonyama Trust Board and no rates will be charged on these areas.

The full scale implementation of the Municipal Property Rates Act will ensure that the municipality has at least a reasonable amount of income other than from grants and subsidies. This will enable the municipality to provide the most basic services and will create some sort of independence.

- Even though the municipality has not rendered services accounts before, the organogram is strategically positioned to respond to the challenge when the need arise.
- The available skills of all finance department staff were enough to meet the challenges of the municipality and the times ahead.
- Limited financial resources have a direct negative impact on the volume of service delivery.



The Municipal Building



CHAPTER 2

PERFORMANCE HIGHLIGHTS

2.1 Functions Performed

The municipality performed several functions, i.e. infrastructure Services which includes the construction of **roads, sports fields, multi purpose centres, library** etc. The roads, library and sports fields were funded by a Municipal Infrastructure grant, Provincial Arts and culture department, National lottery and Provincial department of arts and culture respectively.

The municipality had some challenges and they resulted in non-completion of all projects planned for 2006/2007 financial year. Although the municipality is not mandated to perform water, electricity and housing functions, it may report the following.

2.1.1 Performance per functions

Service	Functions performed	Performed By:-
Electricity	106 new electricity connections were performed	Local & Eskom
Refuse Removal	There were no new houses connected into the refuse removal network	Local
Roads	23.1 kilometres of roads were built.	Local
Housing	No new houses were built and handed over to the beneficiaries.	Local

During the financial year, the municipality managed to transfer the land which was under Ingonyama Trust into the Municipality

The Municipality has during the financial year signed a memorandum of understanding on shared services for the implementation of Municipal Property Rates Act with three municipalities within the District; the three Municipality's being amongst others Maphumulo and Mandeni.



2.1.2 Revenue Collection Performance

At this juncture no billing for services has taken place as a result no service debtors have occurred. The only debtors that have come about are for rental of Bhamshela Multi-Purpose Centre however the turnover rate is within the reasonable state.

2.2 Backlogs in service delivery

2.2.1 Water and Sanitation

In terms of the figures provided by Department of Water and Forestry DWAF) (2004) water backlogs in Ndwedwe stand at 44%.

Total No. of households	Households with access to water	Households without access to water	Water backlog percentage
30,878	17,160	13,718	44%

DWAF figures (2004) indicate that there is a backlog of 56% in terms of sanitation in the Ndwedwe Municipality.

Total No. of households	Households with access to	Households without access to sanitation	Sanitation backlog percentage
30,878	13,717	17,161	56%

2.2.2 Electricity

Current backlogs according to ESKOM statistics (2005)

Total No. of households	Households electrified	Households not electrified	Total No. of schools	No. of schools	No. of schools
27,576	6,378	21,198	144	19	125

2.2.3 Refuse removal

There are major backlogs (97%) in terms of refuse removal in the Ndwedwe Municipality. There is a lack of a more organized waste management system.



2.2.4 **Roads**

There are forty municipal roads within the municipal area and are generally in very bad condition. Moreover a major constraint to upgrading these roads is the limited resources in terms of funding and technical skills. The municipality has managed to fund only 5 roads during 2006/2007 financial year for an amount of R10 019 000. Therefore roads backlog is 35 roads.



Construction and Progress of the Nhlankakazi Access Road





2.3 Level & Standard of Service

Although other functions were not done at all, the municipality has increased the level and standard of service.

2.4 Municipal Spending on Service Delivery Infrastructure

2.4.1 Building & Zoning Plans

Applications Outstanding 1 July 2006	Categories	Number of applications received in 2006/2007	Total Value of applications Received (Rand)	Applications Outstanding 30 June 2007
Nil	Residential New	Nil	Nil	Nil
Nil	Residential additions	Nil	Nil	Nil
Nil	Commercial	Nil	Nil	Nil
Nil	Industrial	Nil	Nil	Nil
Nil	Other(specify)	Nil	Nil	Nil



The newly built Library to the back of the Municipal Offices is just one example of the Municipality's endeavour to provide suitable Infrastructure to the Community at large





The Wosiyama Sportsfield is just another example of the Municipality's commitment to the Community





CHAPTER 3

HUMAN RESOURCES AND ORGANIZATIONAL MANAGEMENT

3.1 Staffing

3.1.1 Number of staff per function

Functional Area	Total Posts	Filled Posts	Vacant Posts	Frozen Posts
Corporate Services	33	28	5	Nil
Finance Services	11	9	2	Nil
Municipal Manager	8	5	3	Nil
Technical Administration	10	6	4	Nil
Economic Development and Planning	18	6	12	Nil
Total	80	54	26	Nil

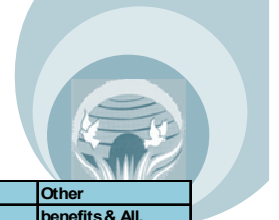
3.1.2 Trends on expenditure of salary (last 3 years)

DEPARTMENTS	2004/2005			2005/2006			2006/2007		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
CORPORATE SERVICES	4,213,410	2,907,964	1,305,446	4,187,301	3,930,004	257,297	9,528,044	9,177,093	350,951
FINANCIAL SERVICES	1,442,372	986,923	455,449	1,846,326	1,204,766	641,560	1,724,815	1,530,968	193,847
MUNICIPAL MANAGER	1,012,481	669,253	343,228	1,259,676	862,156	397,520	1,516,684	708,984	807,700
TECHNICAL ADMINISTRATION	2,300,631	1,341,099	959,532	1,655,979	1,176,719	479,260	1,856,611	1,268,873	587,738
ECONOMIC DEV. PLANNING	Nil	Nil	Nil	837,893	451,176	386,717	3,143,992	1,124,846	2,019,146

3.1.3 Amount owed by Councillors, staff, etc.

The ex-Manager, Legal Support Services, owed the municipality an amount totalling to R21,810.63 for petrol card and cell-phone card expenses.

3.1.4 Disclosure Concerning Councillors, Directors and other Senior Officials – 01 July 2006 to 30 June 2007.



	Salaries & Wages		Contributions			Allowances			Housing	Loans &	Other
	Normal	Overtime	Pension	Med Aid	Other	Travel & Moto	Accommodation	Subsistence		Advances	benefits & All.
Mayor	308,725	-	25,233	-	-	79,419	-	-	-	-	13,104
Speaker	243,918		25,906			59,953					13,104
Executive Councilors											
Deputy Mayor	145,338	-	-	2,914	-	32,464	-	-	-	-	9,144
Chairperson 1	178,339	-	15,893	-	-	1,900	-	-	-	-	9,144
Chairperson 2	127,823	-	12,030	-	-	53,371	-	-	-	-	9,144
Chairperson 3	178,339	-	6,525	1,622	-	1,900	-	-	-	-	9,144
Chairperson 4	126,222	-	-	-	-	86,044	-	-	-	-	21,113
Chairperson 5	173,638	-	12,967	-	-		-	-	-	-	4,916
Senior Officials											
Municipal manager	493,751	-	11,184	-	-	100,955	-	-	-	-	10,232
Other Senior Managers	1,016,211	-	89,329	36,854	-	265,130	-	-	-	-	21,763



CHAPTER 4

AUDITED ANNUAL FINANCIAL STATEMENTS AND RELATED INFORMATION

4.1 BALANCE SHEET AS AT 30 JUNE 2007

		2007	2006
		R	R
	Note		
<u>CAPITAL EMPLOYED</u>			
FUNDS AND RESERVES		12,938,619	6,346,778
Statutory Funds	1	3,757,493	2,434,252
Reserves and Grant Funds	2	9,181,126	3,912,526
ACCUMULATED SURPLUS/ (DEFICIT)	12	11,005,975	12,674,575
TOTAL CAPITAL EMPLOYED		23,944,594	19,021,353
<u>EMPLOYMENT OF CAPITAL</u>			
FIXED ASSETS	3	-	-
LONG-TERM DEBTORS	5	32,225	69,077
NET CURRENT ASSETS		23,912,369	18,952,276
CURRENT ASSETS		30,058,171	21,343,236
Debtors	6	171,716	166,248
Cash at Bank	7	1,676,751	653,516
Short-term Investments	4	28,177,288	20,442,701
Short-term portion of long term debtors	5	32,416	80,771
CURRENT LIABILITIES		6,145,801	2,390,960
Creditors	8	5,746,170	2,026,300
Provisions	9	399,631	364,660
Short term portion of Long Term Liabilities		-	-
		23,944,594	19,021,353



INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	2006 Actual Income	2006 Actual Expenditure	2006 Surplus/ (Deficit)		2007 Actual Income	2007 Actual Expenditure	2007 Surplus/ (Deficit)	2007 Budget Surplus/ (Deficit)
	R	R	R		R	R	R	R
RATE & GENERAL SERVICES	24,781,388	18,136,378	6,645,010		41,501,069	22,808,277	18,692,792	0
Community Services	24,781,388	18,136,378	6,645,010		41,501,069	22,808,277	18,692,792	0
TOTAL	24,781,388	18,136,378	6,645,010		41,501,069	22,808,277	18,692,792	0
Appropriations for the year			-2,462,483				-20,361,391	
Net Surplus/(Deficit) for the year			4,182,527				-1,668,600	
Accumulated Surplus/(Deficit) at the beginning of the year			8,492,047				12,674,575	
Accumulated Surplus/(Deficit) at the end of the year			12,674,575				11,005,975	



CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 R	2006 R
Cash generated by operations	13	1,289,857	4,895,761
Investment income	11	2,291,607	1,100,909
(Increase)/Decrease in working capital	15	3,751,254	-1,516,884
CASH AVAILABLE FROM OPERATIONS		7,332,718	4,479,786
Cash contribution from Govt./Appropriation account	14	11,814,477	-4,311,033
Net proceeds on disposal of fixed assets		146,958	-
CASH RETAINED FROM OPERATING ACTIVITIES		19,294,153	168,753
CASH UTILISED IN INVESTING ACTIVITIES			
Investment in Fixed Assets	3	-10,536,330	-1,203,075
NETT CASH FLOW		8,757,823	-1,034,323
CASH EFFECTS OF FINANCING ACTIVITIES			
(Increase)/Decrease in cash investments	16	-7,734,587	-181,831
(Increase)/Decrease in bank and cash	17	-1,023,236	1,216,154
NET CASH (GENERATED)/UTILISED		-8,757,823	1,034,323



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	R	R
1 STATUTORY FUNDS		
Refer Appendix A		
Capital Development Fund	3,757,493	3,434,352
	<u>3,757,493</u>	<u>3,434,352</u>
2 RESERVES & GRANT FUNDS		
Refer to Appendix A		
Total	5,431,135	5,512,424
Establishment Grant	341,027	355,365
Integrated Development Plan	0	0
Municipal Services Infrastructure	557,705	505,524
Land Use Management Systems	180,010	0
Capacity Support Grant	2,726	130,357
Municipal Assistance programme	35,793	210,559
MEFA	52,235	122,475
Financial Management Grant	394,539	253,729
GIG	254,000	0
MPR1	35,855	283,125
Independent Council Monitoring	40,104	40,104
Municipal Development planning	227,997	353,542
Audit Commission Internal Control	150,000	0
Capital Reserve	4,300,351	104,018
Project Capital Grants	40,750	150,000
Private Donations	471,307	1,163,125
GDPA / LED Grant	35,732	35,152
Township Establishment	62,010	0
Volunteer Fund	150,000	0
Milestones Project	241,470	0
Public participation	100,000	0
Transit Fund MPR1	300,000	0
Club Thabo MPR1 Grant R60	60,000	0
Technical Support MPR1	200,000	0
Grant Expenditure	107,000	0
3 FIXED ASSETS		
Fixed Assets at 1 July 2016	11,251,127	9,744,561
Capital Outlay during year	1,102,351	3,446,460
Less: Depreciation transferred on disposal	141,626	221,233
Total Fixed Assets	11 2' 209,752	11 3' 970,788
Less: Loans, redeemed and other payable amounts	12 2' 209,752	11 3' 970,788
Prior Year	11,251,127	9,744,561
Current Year	10,150,000	3,446,460
Depreciation off	141,626	221,233
Net Fixed Assets	0	0
4 INVESTMENTS		
Unlisted		
Bank of Africa	7 2,317,733	2,317,733
First National Bank	5 11,040,000	11,040,000
State	3 7,283,400	2,742,833
	<u>20,641,133</u>	<u>16,100,566</u>
Provision made on the above investments during the year	1,000	0

**5 LONG TERM DEBTORS**

Construction debtors	1	31,941	123,646
Short term portion of long term debtors		32,418	69,771
Balance		32,235	85,057

6 DEBTORS

Staff Debtors	2	21,811	35,830
Insurance accounts	10	116,861	101,893
Other Debtors	3	30,904	41,075
		179,576	148,800

7 CASH ON HAND AND AT BANK

Current Account	4	1,096,781	563,816
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8 CREDITORS

Trade Creditors	5	5,748,179	2,938,890
Other Creditors	12	-	-
WAT	15	-	-
		5,748,179	2,938,890

9 PROVISIONS

Lease pay	8	529,271	384,800
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10 COMMITTEE MEMBERS REMUNERATION

The amounts below are the total cash for all of the contributions made.

2016/2017 MHA

Meyor's Allowance	982,192	122,300
Speaker's Allowance	248,877	105,774
Executive Committee	1,140,048	271,006
Councillors Allowance	4,025,758	868,454
Remuneration Contribution for Councillors	989,814	75,206
Travelling Allowances	497,210	235,776
	4,913,894	1,488,212

This is to confirm that Salaries, Allowances and Benefits are paid within the upper end of the framework as proposed in section 21.6 of the Constitution, Government Gazette no. 29447 of 1 December 2003

2016/2017 MHA

Municipal Manager	508,264	382,706
Deputies	1,366,840	952,057
Managers	1,380,360	679,432
Remuneration Contribution	551,875	178,252
Medical Aid Contribution	84,584	50,780
Retirement Fund Contribution	0	24,774
Group Life Contribution	46,303	41,097
Travelling Allowances	648,167	510,574
Performance Bonus	142,971	305,032
	4,068,362	2,445,878

**11 FINANCE TRANSACTIONS**

Total external interest earned

1,281,159

1,178,873

12 APPROPRIATION ACCOUNT

Accumulated surplus at the beginning of year

12,974,558

12,867,086

Operating surplus/(deficit) for the year

19,862,758

8,845,618

Prior year adjustments - Discharge of li

0

-35,710

Project funds allocated

0

935,151

Projects not yet over

-2,448,412

-2,177,004

82,388,899

79,385,039

Contributions to fixed assets

-10,508,130

-101,354

Contributions to

-1,294,753

-751,937

CDF

-1,178,234

-712,154

Lease pay

-722,472

-149,515

Interest on VAT

0

112,578

ACCUMULATED SURPLUS FOR THE YEAR

18,560,886

18,629,374

13 CASH GENERATED BY OPERATIONS

Surplus/(Deficit) for the year

12,862,758

8,845,618

Appropriations for the year

-19,281,384

-112,872

Appropriations changed against income

11,606,006

1,737,000

Capital Development Fund

1,178,234

-709,004

Fixed Assets

10,508,130

2,564,679

Contributions to Positions

722,472

-126,515

1,355,706

0

Interest on external borrowings

-2,781,807

-1,179,776

Expenditure changed against positions and reserves

-6,866,009

0

Discharge of financial liab

0

0

1,355,857

7,516,496

Net proceeds on disposal of fixed assets

146,862

14 CASH RETAINED FROM OPERATIONS

Vests retained

11,067,006

2,743,142

Grants spent

-6,802,446

-1,894,121

Other Vests

8,545,977

113,682

11,810,537

856,703

**15 INCREASE/DECREASE IN WORKING CAPITAL**

Increase/Decrease in debtors	31,334	-193,723
Increase/Decrease in creditors	3,719,870	1,857,458
	<u>3,688,536</u>	<u>1,663,735</u>

16 DISCREPANCY EXTERNAL CASH INVESTMENTS

Banked Bank Call Account		
Investments made	7	7,581,775
Investments realised	7	5,121,319
FNB		
Investments made	4	13,557,750
Investments realised	5	7,594,352
AIRBA		
Investments made	8	8,525,975
Investments realised	9	10,594,257
	<u>7,034,807</u>	<u>3,453,383</u>

17 DISCREPANCY BANK CASH

Balance at beginning of year	852,518	1,115,188
Less income effect of year	<u>1,573,751</u>	<u>857,519</u>
	<u>7,035,324</u>	<u>357,669</u>

18 RETIREMENT BENEFITS

Employees belong to the following funds within the Mafikeng Local Municipality Pension Fund and for provide retirement benefits to such employees. All amounts due to the funds are fully paid as:

- Pension Fund

19 CAPITAL COMMITMENTS

Capital Expenditure- Commitments	8,545,877	14
- Approved and contracted for	<u>8,545,877</u>	<u>0</u>
	<u>0</u>	<u>14</u>

20 CAPITAL DEVELOPMENT FUND

Accumulated Fund	3,757,459	2,454,252
Less Internal Investments in CCDF	<u>0</u>	<u>0</u>
	<u>3,757,459</u>	<u>2,454,252</u>

21 MUNICIPAL BUDGET VARIANCE 2022/23 (R) RONA

Audit Fees	432,358	781,437
Taxes FIVE	<u>1,548,857</u>	<u>1,157,807</u>
Loans	0	22,789
S&P Co.	25,038	44,305
Pension Contributions	1,719,358	451,134
Medical Contributions	<u>272,444</u>	<u>255,455</u>
	<u>3,998,006</u>	<u>2,657,138</u>

For all the 30 June 2023, no amounts were outstanding in respect of the above items.

22 MUNICIPAL BUDGET VARIANCE 2022/23 (R) RONA BANK ACCOUNT

Bank account	
Name:	First National
Type:	Checking
Year opening:	October 2021
Balance at year end:	R: 1 070 451.54
In compliance with SORA regulations FNB has been established. Not to provide banking services for the next 5 years.	



4.2 Audit Report

REPORT OF THE AUDITOR-GENERAL TO THE MUNICIPAL COUNCIL AND KWAZULU-NATAL PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF NDWEDWE MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2007

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Ndwedwe Municipality which comprise the balance sheet as at 30 June 2007, income statement and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, and the report of the chief financial officer, as set out on pages 5 to 16.

Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the entity-specific basis of accounting, as set out in accounting policy note 1 and in the manner required by the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA). This responsibility includes:
 - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
 - selecting and applying appropriate accounting policies
 - making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and section 126(3) of the MFMA, my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of



material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

6. An audit also includes evaluating the:
 - appropriateness of accounting policies used
 - reasonableness of accounting estimates made by management
 - overall presentation of the financial statements.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis of Accounting

8. The municipality's policy is to prepare the financial statements on the entity-specific basis of accounting, as set out in accounting policy note 1.

Opinion

9. In my opinion the financial statements of Ndwedwe Municipality as at 30 June 2007 and its financial performance and cash flows for the year then ended have been prepared, in all material respects, in accordance with the basis of accounting as set out in accounting policy note 1 and in the manner required by the MFMA.

OTHER MATTERS

I draw attention to the following matters that are ancillary to my responsibilities in the audit of the financial statements:

10. Non-compliance with applicable legislation

Municipal Finance Management Act

Internal control

During the year under review the municipality did not develop and implement a financial and risk management policy. The municipality has therefore not effectively managed its risks, as required by section 61(1) (c) of the MFMA. Furthermore, it was noted that the municipality had not drafted, approved and implemented the following:

- Fraud prevention plan
- Appropriate system of delegation
- Performance review policy
- Debt control and credit management policy
- Asset management policy.

Budget and budget related activities

- The mayor did not assess the monthly budget statements, mid year budget and performance reports, and whether spending of funds or revenue



collections are in accordance with the budget. Also, a report to the council on the implementation of the budget and the financial state of affairs of the municipality had not been submitted, as required by sections 52(d) and 54(1) of the MFMA.

- A projected cash-flow setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year had not been complied with, as required by section 17(1)(c) of the MFMA.
- The budget was not tabled within the timeframes, as required by sections 16(2) and 21(1)(b) of the MFMA.
- The municipality failed to inform treasury of the failure by council to adopt or implement a budget-related policy, as required by section 73(a) of the MFMA.
- Budget reports had not been submitted to treasury within the time frames prescribed by section 71 of the MFMA.

Supply Chain Management

The accounting officer did not notify, in writing, the Auditor-General, the relevant Provincial Treasury and the National Treasury of the reasons for deviating from a tender, other than the one recommended in the normal course of implementing the supply chain management policy. The provisions of section 114 of the MFMA had not been complied with for the Project Municipal Infrastructure Grant – Madimeni Access Road.

General non-compliance

- The accounting officer of a municipality must monitor on a monthly basis the performance of the contractor under the contract agreement, as required by section 116(2)(b) of the MFMA. However, monthly monitoring and regular reporting to the council regarding contracts and the performance of contractors had not taken place.
- The accounting officer of a municipality, must within 30 days after the end of each quarter, table in the municipal council a consolidated report of all withdrawals made in terms of subsection (1) (b) to (j) during that quarter; and submit a copy of the report to the relevant Provincial Treasury and the Auditor-General, as required by section 11(4) of the MFMA. A consolidated report of withdrawals was not compiled and submitted.
- The municipality did not submit an implementation plan, detailing progress towards full compliance with section 122(3) of the MFMA, to the National Treasury and Provincial Treasury before 30 October 2007.

Division of Revenue Act, 2006 (DORA)

Schedule 6 allocations

In accordance with section 27(5) of DORA, the performance in respect of programmes funded by schedule 5 and 6 allocations should be evaluated within two months after year-end and such evaluations should be submitted to the transferring officer. The evaluation for schedule 6 allocations had not been conducted and submitted.



11. Matters of governance

Effectiveness of internal audit

The internal audit unit did not prepare a risk based audit plan, an internal audit plan and an internal audit program for the financial year, as required by section 165(2)(a) of the MFMA.

Effectiveness of the audit committee

The audit committee must consist of at least three members, as required by section 166(4)(a) of the MFMA, however, at the financial year-end there was only one functioning member of the audit committee.

12. Material corrections made to the financial statements submitted for audit

The financial statements approved by the accounting officer and submitted for audit on 31 August 2007 have been significantly revised in respect of the following misstatements identified during the audit:

- General expenditure was debited and payables were credited by R187 750 as a result of expenditure not being accrued
- Appropriations were debited and leave stabilisation expense was credited by R222 472 as result of leave stabilisation expenditure being duplicated
- Unspent grants was debited and grant income was credited by R82 000 as result of a duplication in reserves.

13. Internal control

Section 62(1)(c)(i) of the MFMA states that the accounting officer must ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The table below depicts the root causes of the matters indicated, as they relate to the five components of internal control. In some instances deficiencies existed in more than one internal control component.

Reporting Item	Control environment	Assessment of risks	Control activities	Information and communication	Monitoring
Other matters					
Non-compliance with the MFMA	√	√			√
Matters of governance	√				
Material corrections to the financial statements			√		√



14. Investigations in progress or completed

- **Forensic investigation into Local Economic Projects**

An investigation in respect of the procurement process, validity of amounts and possible disciplinary actions with the procurement of and the non payment of Local Economic Goods by the municipality amounting to R692 043, was not yet finalised.

- **Forensic investigation into credit card utilisation**

An investigation into the utilisation of credit card facilities in respect of travelling and accommodation was requested by the municipality. One credit card was kept by the municipal manager and the second credit card is kept by the municipality travel agent. The investigation into the allegations that these two credit cards were not properly utilised for the purpose envisage was not yet finalised.

- **Forensic investigation into promotions**

An investigation into the promotions of several employees was conducted during the year under review. The investigation included the non-compliance with policies, quantification of the monetary effect and any disciplinary action to be taken had not yet been finalized.

15. Unaudited supplementary schedules

The supplementary information set out on pages 17 to 21 does not form part of the financial statements and is presented as additional information. I have not audited these annexures and accordingly I do not express an opinion on them.

OTHER REPORTING RESPONSIBILITIES

Reporting on performance information

16. I was engaged to audit the performance information.

Responsibility of the accounting officer for the performance information

17. In terms of section 121(3)(c) of the MFMA, the annual report of a municipality must include the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA).

Responsibility of the Auditor-General

18. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 646 of 2007*, issued in *Government Gazette No. 29919 of 25 May 2007* and section 45 of the MSA.

19. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgment.



20. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the audit findings.

Audit findings

21. Non-compliance with regulatory requirements

No reporting on performance information

There was no evidence of management having implemented control activities that prevents or detects and corrects material misstatements in the performance information, as required by the Performance Management Guideline for Municipalities, 2001, section 5.5, Phase 3 and monitoring and review of performance management, as required by section 40 of the MSA.

The performance management system has been approved but has not been fully implemented as required by the Performance Management Guideline for Municipalities, 2001, section 5, Phase 3 and section 41 of the MSA.

Existence and functioning of a performance audit committee

The Ndwedwe Municipality did not appoint and budget for a performance audit committee, neither was another audit committee utilised as the performance audit committee.

Internal auditing of performance measures

The internal audit processes and procedures did not include assessments of the functionality of the Ndwedwe Municipality's performance management system and whether the system complied with the requirements of section 45(a) of the MSA.

22. Performance information not received in time

I was not able to complete an evaluation of the quality of the performance information since the information was not received in time.

APPRECIATION

23. The assistance rendered by the staff of the Ndwedwe Municipality during the audit is sincerely appreciated.

Pietermaritzburg

30 November 2007

Auditor - General

AUDITOR-GENERAL



MANAGEMENT RESPONSE TO THE EXTERNAL AUDIT REPORT

ISSUE	DETAILS OF ISSUE	MANAGEMENT ACTION	PERSON RESPONSIBLE
Non-compliance with applicable <ul style="list-style-type: none"> Legislation MFMA Internal control 	<ul style="list-style-type: none"> Financial and risk management policy not developed and implemented in terms of S 61(1) of MFMA The following were not drafted, approved & implemented <ol style="list-style-type: none"> Fraud prevention plan Appropriate system of delegation Performance review policy Debt control & credit management policy Asset management policy 	<p>Will be developed and a draft be tabled to Council before 30 May 2008 for adoption.</p> <p>Tabled to Council for adoption Adopted in Council meeting held 08 November 2007 Will be drafted and developed after development of PMS before the beginning of the 2008/09</p>	<p>Mayor Municipal Manager Director Finance Director Corporate Services</p>
Budget & budget related activities	<ul style="list-style-type: none"> The Mayor did not assess monthly budget statements & mid-year budget & performance reports Report in terms of S52(d) & S54(1) of MFMA Projected cash flow in terms of S17(1)(c) of MFMA not complied with Budget not tabled within timeframes as required by S16(2) & S21(1) of MFMA 	<p>Work-shopped and adopted before 30th May 2008</p> <p>In 2007/08 budget the provisions were complied with on time</p> <p>It was tabled on time for 2007/08 financial year and will ensure that future years' also are tabled timeously</p> <p>Will be complied with during 2008/09 financial year and in future</p>	<p>Mayor Municipal Manager</p> <p>Municipal Manager</p> <p>Municipal Manager</p>

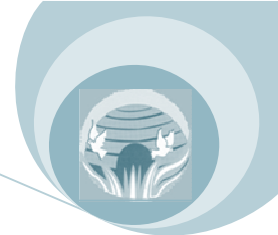
ENCE	ISSUE	DETAILS OF ISSUE	MANAGEMENT ACTION	PERSO RESPONS
	Supply chain management	<ul style="list-style-type: none"> Failure to inform treasury of the failure by Council to adopt or implement budget related policy S73(a) of MFMA Budget reports not submitted to treasury within timeframes in terms of S71 of MFMA Auditor-General, Provincial and National treasuries not notified of reasons for deviating from tender, other than one recommended in the normal course of implementing SCM Performance of the of the contractors under contract agreement must be monitored on monthly basis as required by S116(2)(b) of MFMA Within 30 days after the end of each quarter a report of all withdrawals in terms of S(1)(b) to (j) must be reported as required by S11(4) of MFMA 	<p>Will be adopted in 2008/09 budget year</p> <p>On certain months reports were sent but as from 07/08 reports are being forwarded on a monthly basis</p> <p>Report will be written to Council for Council to discuss and approve such, after that a report will be forwarded to Auditor-General, Provincial and National treasuries</p> <p>Each department responsible for a particular project will also monitor the performance of the service provider</p> <p>Compliance is now ensured</p> <p>The implementation plan will be drawn up early in 2008/09</p>	<p>Municipal Ma Director Fina</p> <p>Director Fina Municipal Ma</p> <p>Municipal Ma Director Fina</p> <p>Director Tech Municipal Ma</p> <p>Municipal Ma</p> <p>Municipal Ma Director Fina</p>
	General non-compliance			
	Division of Revenue Act,	<ul style="list-style-type: none"> Implementation plan detailing progress towards full compliance with S122(3) of 		

ENCE	ISSUE	DETAILS OF ISSUE	MANAGEMENT ACTION	PERSO RESPONS
of nce ation ogress leted	2006 (DORA)	MFMA could not be ascertained	Reports shall be submitted by 31st August of each year immediately after the annual financial statements have been completed	Director Tech Director Fina Director EDP Director Corp
	Effectiveness of Internal audit	<ul style="list-style-type: none"> In accordance with S27(5) of DORA the performance in respect of programmes funded by schedule 5 & 6 allocations should be evaluated within two months after year-end and such evaluations should submitted to transferring officer The internal control audit unit did not prepare a risk based audit plan, internal audit plan & internal audit program for 2006/07 as required by S165(2)(a) of MFMA 	The Municipal Manager will ensure that such plans and program are prepared in the 2008/09 year	Director Fina Municipal Ma
	Effectiveness of the audit committee	<ul style="list-style-type: none"> The audit committee must consist of at least three members , as required by S166(4)(a) of MFMA, however, at year end there was only one functioning member of the audit committee 	Audit Committee is now full compliment	Municipal Ma
	Forensic investigation into LED projects	<ul style="list-style-type: none"> An investigation in respect of the procurement process, validity of amounts and possible disciplinary actions with the procurement of and non payment of LED goods by the municipality amounting to 	Council has not yet pronounced on the matter. It will be serve before EXCO on 25 April 2008 thereafter to Full Council The office of the Speaker and Mayor to set up a meeting with general manager of Local Government and Traditional Affairs with a view	Municipal Ma Municipal Ma

ISSUE	DETAILS OF ISSUE	MANAGEMENT ACTION	PERSON RESPONSIBLE
Forensic investigation into credit card utilization	R692 043 ▪ An investigation into the use of credit card facilities in respect travelling and accommodation was carried. It is alleged that these cards were not properly used for the purpose envisaged ▪ An investigation into the promotions of several employees was conducted. The investigation included the non-compliance with policies, qualifications of the monetary effect and any disciplinary action to be taken had not yet been finalized	to sort the matter Council still has to decide. They will serve before EXCO on 25 April 2008 The Office of the Mayor and Speaker to set up a meeting with General Manager of DTLGA Council need to decide on the issue. They will serve before EXCO on 25 April 2008	Municipal Manager
Forensic investigations into promotions			Municipal Manager Director Corporation
No reporting on performance information	▪ No evidence of management having implemented control activities that prevents or detects and corrects material misstatements in the performance information, as required by Performance Guideline for Municipalities, 2001, S5.5, Phase 3 and monitoring and review of performance management, as required by S40 of MSA ▪ Performance management system has been approved but has not been fully implemented	Performance management system is being reviewed and cascaded to all municipal levels, an all inclusive approach is employed to accommodate stakeholders and developing monitoring and evaluation mechanism Has been set up	Municipal Manager Director Corporation Municipal Manager

ENCE	ISSUE	DETAILS OF ISSUE	MANAGEMENT ACTION	PERSO RESPONS
	Existence and functioning of a performance audit committee Internal auditing of performance measures	<p>as required by Performance Management Guideline for Municipalities, 2001,S5, Phase 3 and S41 of MSA</p> <ul style="list-style-type: none"> ▪ The municipality did not appoint and budget for a performance audit committee, neither was another audit committee utilized as a performance audit committee ▪ The internal audit processes and procedures did not include assessments of the functionality of municipality's performance management system and whether the system complied with the requirements of S45(a) of MSA 	A process plan ensuring compliance will be developed with newly appointed Internal Auditors	

ess	



4.4 **Budget to Actual Comparisons**

4.4.1 **Operating Budget**

The operating budget variances for the 2006/2007 year are as follows:

	Budget	Actual	Variance	Unspent Variance %
CORPORATE SERVICES	14,527,312.00	13,199,414.00	1,327,898.00	9%
FINANCIAL SERVICES	-33,001,401.00	-24,309,941.00	-8,691,460.00	26%
MUNICIPAL MANAGER	1,738,549.00	821,042.00	917,507.00	53%
TECHNICAL ADMINISTRATION	-3,427,548.00	-4,457,346.00	1,029,798.00	-30%
ECONOMIC DEV. PLANNING	-3,216,906.00	-3,945,962.00	729,056.00	-23%

4.4.2 **Capital Budget**

Capital budget variances for the 2006/2007 year is as follows:

	Budget	Actual	Variance	Unspent Variance %
CORPORATE SERVICES	970,000.00	243,217.00	726,783.00	75%
FINANCIAL SERVICES	250,000.00	222,499.00	27,501.00	11%
MUNICIPAL MANAGER	125,000.00	8,396.00	116,604.00	93%
TECHNICAL ADMINISTRATION	545,520.00	84,179.00	461,341.00	85%
ECONOMIC DEV. PLANNING	21,489,476.00	11,655,421.00	9,834,055.00	46%



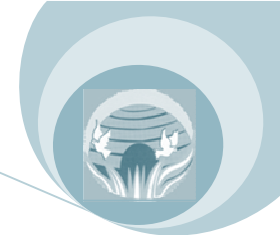
4.5 Grants Received and Spent

The schedule of received and spent grants is as follows:

Details	Opening Balance	Received	Spent	Closing Balance
Establishment Grant	369,996	-	-28,969	341,027
Integrated Development Plan	-	-	-	0
Municipal Systems Infrastructure	585,524	734,000	-461,819	857,705
Land Use Management Systems	-	180,000	-	180,000
Capacity Support Grant	190,977	28,279	-216,533	2,724
Municipal Assistance programme	210,959	30,389	-205,592	35,756
MFMA	128,475	3,200	-39,377	92,297
Financial Management Grant	253,728	500,000	-369,199	384,529
GIS	-	254,000	-	254,000
MPRA	233,125	82,000	-279,270	35,855
Interdepartmental Monitoring	40,101	-	-	40,101
Municipal Development planning	390,312	-	-162,315	227,997
Audi Comm and internal Control	-	150,000	-	150,000
Project Consolidate	150,000	82,000	-185,250	46,750
Private Donations	1,160,125	102,330	-1,323,763	-61,307
CDW LED Grant	95,192	-	-6,400	88,792
Tow nship Establishment	-	82,000	-	82,000
Valuation Roll	-	182,000	-82,000	100,000
Nhlangakazi Project	-	750,000	-8,460	741,540
Public participation	-	500,000	-	500,000
Bhamshela MPCC	-	360,000	-	360,000
Dube Trade Port Gijima KZN	-	168,000	-84,000	84,000
Technical Support MIIPS	-	200,000	-	200,000
Good Governance	0	137,000	-	137,000
TOTAL	3,808,513	4,525,199	-3,452,946	4,880,766

Comment:

The municipality commits itself to speed up the expenditure on unspent grants amounting to R4.8m.



CHAPTER 5

FUNCTIONAL AREA SERVICE DELIVERY

5.1 **Finance Department**

OVERVIEW

The Finance department is responsible for all activities relating to the finance management function including payroll administration and supply chain management.

Description of the activity

The municipality does not render any trading services at the moment; therefore the finance department within the municipality performs the following functions:

- Preparation of the annual financial statements
- Compilation of the annual budget
- Management of cash and bank
- Management of fixed assets
- Payroll administration
- Supply chain management
- Income and expenditure

Due to the size of the Municipality, Finance department has only 2 sections which are: income and expenditure; and supply chain management. Income and expenditure includes budget management, receipting of income received and billing of rental debtors, general ledger management, creditor's management, cash and bank management and payroll administration. All of these functions are supervised by a Manager Accountant.

Supply Chain management is responsible for the overall procurement functions of the municipality including costs associated with orders, contract management, demands and acquisitions management, logistic and disposal management. This section is supported by 3 Bid committees which has members from all departments. The committees are: specification committee, evaluation committee and adjudication committee.



Property Rates

For the first time in the history of Ndwedwe, the Municipality will be implementing the Municipal Property Rates Act no.6 of 2004. The Municipality is currently in a process of developing a general valuation roll which will then allow the Municipality to charge rates in terms of the act from July 2008. Ndwedwe Municipality has never charged rates before, and therefore does not have a register of properties or a general valuation roll. The costs of implementing Municipal Property Rates Act has been shared with the other two municipalities within the Ilembe District, i.e. Maphumulo and Mandeni.

The finance department had the following functions to perform during 2006/2007 financial year

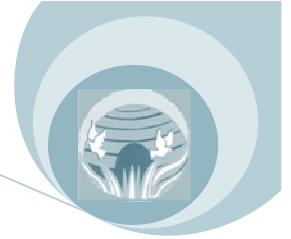
Key performance areas

KPA	Performance during the year	Achieved	Improvements
1. Shared services	The Municipality has successfully appointed a Municipal Valuer through shared service approach	Implementation of MPRA through shared services	Identification of other services to be shared is important
2. Financial management	The 2005/2006 financial statements were submitted on time	The municipality achieved an unqualified report on the 2005/2006 annual financial statements	The Municipality has a challenge of putting policies in place, even though a number of policies were developed during the year, but not all were adopted.
3. Supply chain management	Full implementation of Supply chain management regulations	Establishment of bid committees and training of few bid committee members by SAMDI	More training is needed for all bid committee members so that we can improve our performance
4. Annual Budget	The 2007/2008 annual budget was adopted timeously	Credible and IDP aligned budget.	The municipality was unable to table a budget process plan and the draft budget in terms of the MFMA.



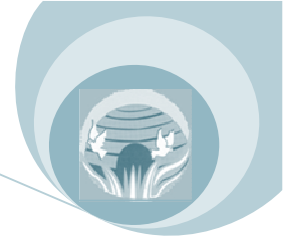
INFRASTRUCTURE AND TECHNICAL SERVICES

Reporting Level	Detail
Overview:	<p>The Infrastructure and Technical Services Directorate is responsible for the implementation of infrastructure projects through the following key functions:</p> <ul style="list-style-type: none"> Municipal Infrastructure Grant Sports & Recreation Facilities Equitable Share Funded Projects Public Libraries Coordination of external infrastructure programmes
Description of the Activity:	<p>The function of the Infrastructure and Technical Services within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> Construction of Access Roads Construction of Access Bridges Construction of Sports facilities Building of Community Facilities Building of Public Library Coordination and attending to Electricity Programmes Coordination and attending to Water and Sanitation Programme Coordination and attending to DOT roads Responsible for Waste Management <p>The Strategic Objectives of these function are to:</p> <ul style="list-style-type: none"> To improve quality of the Municipal Roads that link primary and secondary nodes To ensure the provision of Sports facilities at strategic areas for sustainability and to improve social life of the community To ensure the equitable provision of community halls and Development centres in strategic areas to improve social life of the community. To ensure for the existence of Waste Management Policy To increase number of House Holds benefiting from electricity in a near future To increase number of House Holds benefiting from Water Supply in a near future <p>The key issues for 2006/2007 are:</p> <ul style="list-style-type: none"> To construct 3x Access Roads under MIG Programme To construct 4x Sports field under Sports and Recreation Programme To Construct 3x Community Halls To finalise input on Ilembe Electricity Master plan To have a completed Waste Management Policy



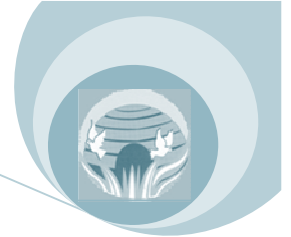
Analysis of the Function	<p>Number and cost to employer of all Infrastructure and Technical Services personnel:</p> <p>Director Manager Technical Officer Handyman TLB Operator</p> <p>Detail and Cost of the above programmes/projects:</p> <p>The function of the Economic Development and Planning within the municipality is administered as follows and includes:</p> <p>MIG Programme Sports and Recreation Programme Equitable Share Programme Public Library Programme</p>
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Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
MIG Programme	<p>MIG Programme</p> <p>Three roads were under construction in the amount of R6, 080,000.00 where R5, 689,825.18 was spent as at 30 June 2007.</p>	09/11/2007	30/06/07
Sport and Recreation Programme	<p>Sport and Recreation Programme</p> <p>Four sports fields were under construction in the amount of R4,480,377.00 where R1,312,497.53 was spent as at 30 June 2007</p>	09/11/2007	30/06/07
Equitable Share Programme	<p>Equitable Share Programme</p> <p>Eight Projects were under construction in the amount of R6,450,000.00 where R197,586.14 was spent as at 30 June 2007</p>	09/11/2007	30/06/07
Public Library Programme	<p>Public Library Programme</p> <p>One Public Library was under construction in the amount of R4,000,000.00 where R3,154,078.00 was spent as at 30 June 2007</p>	09/11/2007	30/06/07

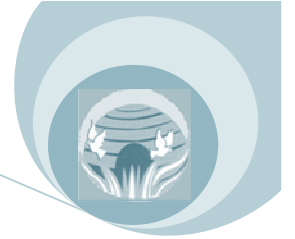


ECONOMIC DEVELOPMENT

Function : Economic Development, Planning and Housing Sub Function : All units	
Reporting Level	Detail
Overview:	<p>The Economic Development and Planning Directorate is responsible for the following key functions:</p> <ul style="list-style-type: none"> Town Planning Local Economic Development Housing Tourism Disaster Management
Description of the Activity:	<p>The function of the Economic Development and Planning within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> Preparation of an urban design framework and layout plan through Project Consolidate Funding Ndwedwe Village Township Establishment Implementation of LED Strategy Implementation of LUMS Acquisition of privately owned land Operationalisation of the Mayor's Economic Advisory Council Preparation of the Spatial Plan for Bamshela, Qinisani and Ashville Forge strategic partnership with uMshwathi Municipality on development of Bamshela Forge the Strategic Partnership with eThekweni Municipality on issues of economic development Implementation of Emergency Housing project Preparation of Municipal Housing Plan Housing projects Integrated Development Planning Preparation of the Municipal Disaster Management Plan Installation of Geographic Information System Sports and Recreation Programme Cemetery Feasibility Study <p>The Strategic Objectives of these function are to:</p> <ul style="list-style-type: none"> To provide for an enabling environment for investments, job creation and poverty alleviation To provide for proper and safe housing To provide for Integrated Development Planning at all levels of Government To protect the Citizens of Ndwedwe from disasters To provide for a conducive working environment To inculcate the culture of sports and recreation To provide for proper Community Services



	<p>The key issues for 2006/2007 are:</p> <ul style="list-style-type: none"> To develop a detailed urban design and layout for future development of Ndwedwe To proclaim Ndwedwe Village as Town To ensure that initiatives recommended in the LED strategy are implemented To ensure the certainty of Land Use which protect property values and creates investor confidence To provide for enabling environment for investors To ensure the office of the Mayor is properly advised on matters of economic development To prepare future spatial plans for secondary development nodes To provide for housing to families affected by storm To ensure strategic planning for housing development To construct houses for Ndwedwe Residents To ensure that there is coordinated and integration of development (IDP) To prepare a risk prevention and reduction plan To provide for a GIS capacity To provide for sustainable sports and recreation programme To identify areas to be allocated for cemeteries
Analysis of the Function	<p>Number and cost to employer of all economic development personnel:</p> <ul style="list-style-type: none"> Manager Development Planner Community Officer LED Officer Tractor Driver <p>Detail and Cost of the above programmes/projects:</p> <p>The function of the Economic Development and Planning within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> Preparation of an urban design framework and layout plan through Project Consolidate Funding Ndwedwe Village Township Establishment Implementation of LED Strategy Implementation of LUMS Acquisition of privately owned land Operationalisation of the Mayor's Economic Advisory Council Preparation of the Spatial Plan for Bamshela, Qinisani and Ashville Forge strategic partnership with uMshwathi Municipality on development of Bamshela Forge the Strategic Partnership with eThekweni Municipality on issues of economic development Implementation of Emergency Housing project Preparation of Municipal Housing Plan Housing projects Integrated Development Planning Preparation of the Municipal Disaster Management Plan Installation of Geographic Information System Sports and Recreation Programme



	Cemetery Feasibility Study
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Area	Against Actual Achieved and Plans to Improve Performance		
	<p>Number and cost to employer of all economic development personnel:</p> <p>Manager Development Planner Community Officer LED Officer Tractor Driver</p> <p>Detail and Cost of the above programmes/projects:</p> <p>The function of the Economic Development and Planning within the municipality is administered as follows and includes:</p> <p>Preparation of an urban design framework and layout plan through Project Consolidate Funding Ndwedwe Village Township Establishment Implementation of LED Strategy Implementation of LUMS Acquisition of privately owned land Operationalisation of the Mayor's Economic Advisory Council Preparation of the Spatial Plan for Bamshela, Qinisani and Ashville Forge strategic partnership with uMshwathi Municipality on development of Bamshela Forge the Strategic Partnership with eThekweni Municipality on issues of economic development Implementation of Emergency Housing project Preparation of Municipal Housing Plan Housing projects Integrated Development Planning Preparation of the Municipal Disaster Management Plan Installation of Geographic Information System Sports and Recreation Programme Cemetery Feasibility Study</p>	<p>Vacant Vacant 1 1 1</p> <p>Finalised Ongoing Ongoing Ongoing Ongoing Put on hold Ongoing Ongoing Put on hold Finalised Ongoing Finalised Finalised Outstanding Ongoing Finalised</p>	<p>30/06/07 30/08/07</p> <p>30/06/07 31/12/08 30/06/07 31/03/07 30/06/07 30/06/07 30/06/07 30/06/07 30/06/07</p>

CORPORATE SERVICES

PERFORMANCE AREAS	BROAD KEY PERFORMANCE INDICATORS	TARGETS ACHIEVED	TARGETS FOR FINANCIAL YEAR
DEMOCRACY AND GOOD GOVERNANCE	DEMOCRACY AND GOOD GOVERNANCE	DEMOCRACY AND GOOD GOVERNANCE	DEMOCRACY AND GOOD GOVERNANCE
<p>Customer Services</p> <p>Encouraging BATHO PELE PRINCIPLES</p> <p>Efficient service delivery to internal customer Services</p> <p>Community Participation to be intensified</p>	<ul style="list-style-type: none"> External customer complains about poor service delivery and communication Internal customers (councillors) complain about poor service delivery of Agendas and resolutions Community members complain about how to go about when they wish to air their views 	<ul style="list-style-type: none"> Progress is noted in terms of reduced number of complaints Number of complaints from councillors about delivering of Agendas reduced Suggestion box provided 	<ul style="list-style-type: none"> More programme training staff to the principles of PELE. KPI'S in terms of of Agenda to be achieved by 100% More programme provided for councillors members to air their views
INFRASTRUCTURE & SERVICES	INFRASTRUCTURE & SERVICES	INFRASTRUCTURE & SERVICES	INFRASTRUCTURE & SERVICES
<p>Secretariat and Committee registry system development</p>	<ul style="list-style-type: none"> Two KPI'S were set in respect of Agendas and Resolutions Concern that there should be a fully- fledged registry system 	<ul style="list-style-type: none"> Agendas are now delivered in time and Resolution Register is now in place Development did commence in respect of registry system 	<ul style="list-style-type: none"> To achieve 95% KPI'S set. To develop the a fully fledged system

SOCIAL & ECONOMIC DEVELOPMENT	SOCIAL & ECONOMIC DEVELOPMENT	SOCIAL & ECONOMIC DEVELOPMENT	SOCIAL & ECONOMIC DEVELOPMENT
<p>financing tourists to familiarise themselves with the municipal area</p> <p>HIV/AIDS</p>	<ul style="list-style-type: none"> Development of Tourism base Commence with preparation with HIV/ AIDS Strategy in conjunction with District Municipality 	<ul style="list-style-type: none"> Infrastructure has started at Inhlankakazi Holy Mountain as an attraction for tourists Strategy has been established 	<ul style="list-style-type: none"> To develop Nkomo Tourism by 80% To develop international complete strategy
INSTITUTIONAL TRANSFORMATION	INSTITUTIONAL TRANSFORMATION	INSTITUTIONAL TRANSFORMATION	INSTITUTIONAL TRANSFORMATION
<p>capacitate Human Resource Section</p> <p>implement equity plan in the municipality</p>	<ul style="list-style-type: none"> Increase and train staff within Human Resource Preparation and adoption of equity plan 	<ul style="list-style-type: none"> 70% of KPI was achieved Approved Equity plan is now in place 	<ul style="list-style-type: none"> To give more staff members Implementation plan to its end